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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/636,125	08/07/2003	Robert B. Phelps	S-816	1568
2071 7590 12/27/2007 SIEBERTH & PATTY, LLC 4703 BLUEBONNET BLVD BATON ROUGE, LA 70809				
EXAMINER				
FRENEL, VANEL				
ART UNIT		PAPER NUMBER		
3627				
MAIL DATE		DELIVERY MODE		
12/27/2007		PAPER		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

### Office Action Summary

**Application No.**

10/636,125

**Applicant(s)**

PHELPS, ROBERT B.

**Examiner**

VANEL FRENEL

**Art Unit**

3627

**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 21 September 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-4 and 22-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4, 22-26 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-8508)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_
- Paper No(s)/Mail Date \_\_\_\_\_

## **DETAILED ACTION**

### **Notice to Applicant**

1. This communication is response to the Amendment filed on 9/21/07. Claims 5-21 have been cancelled. Claims 1-4 have been amended. Claims 22-27 have been newly added. Claims 1-4 and 22-27 are pending.

### ***Claim Objections***

2. The numbering of claims is not in accordance with 37 CFR 1.126 which requires the original numbering of the claims to be preserved throughout the prosecution. When claims are canceled, the remaining claims must not be renumbered. When new claims are presented, they must be numbered consecutively beginning with the number next following the highest numbered claims previously presented (whether entered or not).  
Misnumbered claim 27 has been renumbered claim 26. For purposes of examination, newly added claims have been written claims 22-26. Appropriate correction is needed in the next correspondence.

### ***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claim 1 recites the limitation "the life settlement contracts" in the claim. There is insufficient antecedent basis for this limitation in the claim. Appropriate correction is needed in the next correspondence.

***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-4, and 22-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Halley et al. (4,969,094) in view of (2003/0018498), for substantially the same reasons given in the prior Office Action, and incorporated herein. Further reasons are presented hereinbelow.

(A) Claim 1 has been amended to recite the limitations of "by a pension plan", "ownership", "a selected set of", "life", "sold by", "set of", "life", "set of current, in force life", "and is selected so that", "and is selected so that", "is within a predetermined limit", "calculating by the pension plan or having calculated, by means of an apparatus, a total value of the pension plan assets inclusive of the interest in the selected set of current, in force life insurance contracts so acquired, to thereby convert a value of the assets of the pension plan used to acquire the interest in the selected set of current, in-force life insurance contracts into an actuarial present value of the interest in the selected set of current, in force life insurance contracts: and maintaining by the pension plan or having maintained the enforceability of the selected set of current, in-force life insurance contracts and processing or having processed death benefits arising from the life

settlement contracts". However, these limitations have been shown in Banks See Page 4, Paragraph 0037-0039).

(B) Claim 2 has been amended to erase "the one of more current, in force insurance contracts are life insurance contracts, and wherein". However, this change does not affect the scope and the breadth of the claim as presented in the prior Office Action, and is also rejected for the same reasons given in the previous Office Action, and incorporated herein.

(C) Claims 3 and 4 have been amended to erase "insured, or of at least one of the" and "one or more". However, this change does not affect the scope and the breadth of the claim as presented in the prior Office Action, and is also rejected for the same reasons given in the previous Office Action, and incorporated herein.

(D) As per the newly added claim 22, Banks discloses the method wherein the life insurance contracts are life settlement contracts (See Banks, Page 5, Paragraph 0042).

(E) As per the newly added claim 23, Banks discloses the method wherein the investing step comprises investing in an ownership interest in a pool of current, in-force life insurance contracts (See Banks, Fig.2, Page 6, Paragraphs 0047- 0048).

(F) As per the newly added claim 24, Banks discloses the method wherein the pool of current, in-force life insurance contracts are life settlement contracts obtained and made available

acquisition by a third party and wherein the third party maintains or has maintained the enforceability of the selected set of current, in-force life settlement contracts and processes or has processed death benefits arising from the life settlement contracts (See Banks, Page 4, Paragraphs 0037; Page 5, Paragraphs 0042-0044).

(G) As per the newly added claim 25, Banks discloses the method further comprising: setting a selection criterion for the selected set of current, in-force life insurance contracts that there will be no relative concentration of dollar value amount attributable to a single insurer or carrier (See Banks, Page 5, Paragraph 0043).

(H) As per the newly added claim 26, Banks discloses the method further comprising: administering the pension plan on an approximately regular basis to perform the investing and calculating steps to thereby reduce an unfunded actuarial accrued liability (UAL) and/or reduce any corresponding UAL amortization (See Banks, Page 7, Paragraphs 0056-0058).

#### ***Response to Arguments***

7. Applicant's arguments filed on 9/21/07 with respect to claims 1-4 and 22-27 have been fully considered but they are not persuasive.

(A) At pages 5-7 of the response filed on 9/21/07, Applicant's argues the followings:

(i) Banks purchases the insurance contracts directly from the life insurance carrier, not from the owners.

(ii) Neither reference discloses or suggests the use of present value valuation rules so that a transformation of value is obtained.

(B) With respect to Applicant's first argument, Examiner respectfully submitted He relied upon the clear and unmistakable teachings of Halley See Col.2, lines 45-68 to Col.3, line 37. Therefore, Applicant's argument is not persuasive and the rejection is hereby sustained.

(C) With respect to Applicant's second argument it is respectfully submitted that Banks discloses such a feature See Fig.2; Page 6, Paragraphs 0046-0047). Therefore, Applicant's argument is not persuasive and the rejection is hereby sustained.

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

***Conclusion***

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to VANEL FRENEL whose telephone number is (571)272-6769. The examiner can normally be reached on 6:30am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ryan Florian Zeender can be reached on 571-272-6790. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

V.F

December 26, 2007

/Gerald J. O'Connor/  
Primary Examiner  
Group Art Unit 3627